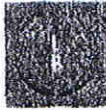


## EXHIBIT A



Engineer's Representative  
for the Employer  
Sudar Infra Structure Services Private Ltd

LBG Ref: GH2002-09-01/DI-060  
Your Ref:

August 12, 2009

Progressive Constructions Limited  
7<sup>th</sup> Floor, Raghava North Block  
Raghava Ratna Towers  
Chirag Ali Lane, Abids  
Hyderabad - 500 001  
Andhra Pradesh  
India

Attention Mr. Bharadwaj

Reference: Juba to Nimule Road  
Section 1, Km 0+000 to Km 55+000  
Contract No. GH2002-09-01  
**Rate of Progress**

Dear Sir

Further to the notification from the Engineer's Representative of June 1, 2009 (ref: GH2002-09-01/CK-013) you are further notified, pursuant to Cl 46.1 of General Conditions of Contract, that it is still the opinion of the Engineer that your rate of progress, through no causes beyond your control that entitle you to an extension of time, is too slow to comply with the Time for Completion.

Today is day 104 of the contract period. Office and residential facilities and mobilization of all key personnel, plant and equipment were to be provided to the Engineer within 90d of the Notice to Proceed i.e. by July 29, 2009 in accordance with Cl 42.1 of Conditions of Particular Application.

To date there has been no activity on site whatsoever and the Employer has yet to be provided with the Performance Security (Cl 10.1 and 10.2 of Conditions of Particular Application) nor the Mobilization Security (Cl 60.8 and 60.9 of Conditions of Particular Application).

Furthermore, the following is a summary of your late contractual submissions which highlights PCL's apparent inability or unwillingness to meet deadlines.

- **Preliminary Program** -- Contract reference -- Cl 14.1 -- submitted on June 3, 2009 reference PCL/JN/Gen/2009/11 -- PCL delay of 24 days.
- **Cash Flow Estimate** -- Contract reference -- Cl 14.3 -- submitted on July 7, 2009 reference PCL/JN/LBG/2009/27 -- PCL delay of 58 days.
- **Delivery Forecasts** -- Contract Reference -- Cl 14.5 -- submitted on July 20, 2009 reference PCL/JN/LBG/2009/55 -- PCL delay of 51 days.
- **Staff Organization Chart** -- Contract Reference -- Cl 14.8 -- submitted on July 8, 2009 reference PCL/JN/LBG/2009/31 -- PCL Delay of 59 days.
- **Quality Control Plan** -- Contract Reference -- 37.6.1 -- submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 -- PCL Delay of 5 days.
- **Mobilization Plan** -- Contract Reference -- Cl 41.2 -- submitted on July 24, 2009 reference PCL/JN/LBG/2009/70 -- PCL Delay of 75 days.
- **Breakdown of Lump Sums** -- Contract Reference -- Cl 57.2 -- submitted on June 2, 2009 reference PCL/JN/Gen/2009/08 -- PCL delay of 5 days.
- **Camp Layout Plan** -- Contract Reference -- Cl 41.2 -- submitted on July 25, 2009 reference PCL/JN/LBG/2009/71 -- PCL delay of 72 days.
- **Submittal Register** -- Contract reference -- Cl 7.1 -- submitted on July 23, 2009 reference PCL/JN/LBG/2009/67 -- PCL delay of 71 days.
- **Safety and Security Plan** -- Contract Reference -- Cl 19.1 -- submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 -- PCL delay of 3 days.
- **Environmental Management Plan** -- Contract Reference Cl 19.2.8 -- submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 -- PCL delay of 3 days.
- **Traffic Management Plan** -- Contract Reference -- Cl 19.9 -- submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 -- PCL delay of 3 days.
- **Insurance 'Contractors All Risk'** -- Contract Reference -- Cl 21.2 -- submitted on June 11, 2009 reference PCL/JN/Gen/2009/16 -- PCL delay of 43 days.
- **Insurance 'Workers Compensation'** -- Contract Reference -- Cl 24.2 -- submitted on July 8, 2009 reference PCL/JN/LBG/2009/30 -- PCL delay of 69 days.

Should PCL persist with its noncompliance in meeting contractual obligation then the Engineer may have no choice but to recommend remedy pursuant to Cl 63.1 of General Conditions of Contract to the Employer and the Client.

For your urgent action.

Yours faithfully

A handwritten signature in dark ink, appearing to read "D. Little".

Dave Little  
The Engineer  
The Louis Berger Group, Inc

cc: Andrew F. Bailey - Employer's Representative  
Craig Kapernick - Engineer's Representative  
Jeremy Gustafson - ECG Team-Leader, USAID  
George Wagwa - CTO, USAID

## EXHIBIT B



The Louis Berger Group, Inc.

2445 M Street NW, Washington, DC 20037  
Tel 202 303 2600 Fax 202 293 0787

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August 17, 2009

The Chairman and Managing Director  
Progressive Constructions Limited  
7<sup>th</sup> Floor, Raghava North Block  
Raghava Ratna Towers  
Chirag Ali Lane, Abids  
Hyderabad – 500 001  
Andhra Pradesh  
India

Attention: Mr. Bhaskar Rao Kavuru

Reference: Juba to Nimule Road  
Sections 1 & 2, Km 0+000 to Km 125+000  
Contract No. GH2002-09-01 & GH2002-09-02  
**Lack of Performance**

Dear Sir,

It is with serious concern that I find it necessary to write to express our fear, shared by the Client (USAID) that PCL appears not to be in a position to effectively get these projects underway and successfully completed. Furthermore, since my earlier communication regarding progress to Mrs. Srimani Mathukumilli, signatory of the contracts, has gone unanswered, I address this concern to you.

On two separate occasions now, June 1 and August 12, 2009, the Engineer has deemed it necessary to express his concern by writing Rate of Progress letters pursuant to Clause 46.1 of the Contract. You may not be aware but this action can be the precursor to Termination under Clause 63.1.

I met with your Project Director and Project Manager at our Juba office on July 27, 2009 and was assured that:

- (i) The Performance Security bank guarantee would be submitted by July 31, 2009.
- (ii) The Mobilization Security bank guarantee would be submitted by August 15, 2009.
- (iii) The Engineer's facilities for Sec 2 would be finished by August 15, 2009.
- (iv) The Engineer's facilities for Sec 1 would be finished by August 25, 2009.



I point out that the mobilization period for both sections expired on July 29, 2009 (excluding the period for delivery of vehicles) and that all deadlines in (i) to (iii) have been missed with minimal work done on the Sec 2 campsite and nothing at all on Sec 1 campsite. As such, I can safely avow that PCL will not meet any of its promises regarding these matters.

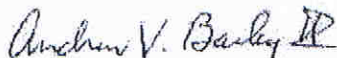
You will therefore appreciate LBG's and USAID's doubts about PCL's ability to undertake the contracts successfully. In an effort to revive our collective confidence in PCL's capabilities I respectfully request you respond to the following points no later than August 31, 2009 for each road section 1 and 2:

- Provide dates when all delinquent items, especially the Bank Guarantees, stated in the Engineer's Rate of Progress letter of August 12, 2009 will be completed.
- Provide a status report on the mobilization of plant, equipment, facilities and personnel for the project and advise when each facet will be completed.
- Provide an acceptable certification that PCL has the financial capacity to complete the projects in accordance with the Contracts.
- Provide a recovery plan on what measures PCL intends to take to complete the projects in accordance with contractual timeframes.
- Provide a timeline and schedule to indicate how PCL will make up the lost time to date, and commit to timely completion of the Works.
- Provide your "further assurances" that the necessary personnel, plant, equipment and PCL corporation is committed to complete this contract

Show cause as to why the Employer should not recommend to USAID that the Contracts be terminated.

I look forward to your prompt and positive reply.

Yours respectfully,



Andrew V. Bailey II  
The Employer's Representative  
The Louis Berger Group, Inc

Cc: *Jeremy Gustafson* - EG Team Leader, USAID  
*Patrick Kollars* - Contracting Officer, USAID  
*George Wagwa* - COTR, USAID  
*Dave Little* - The Engineer

## EXHIBIT C





the Louis Berger Group, Inc.  
USAID Implementing Partner  
Sudan Infrastructure Services Project

September 9, 2009

LBG Ref: GH2002-09-01/DL-AB01  
Your Ref:

The Louis Berger Group Inc.  
2445 M Street NW  
Washington DC, 20037  
USA

Attention: Mr. Andrew Bailey

Reference: Juba to Nimule Road  
Section 1, Km 0+000 to Km 55+000  
Contract No. GH2002-09-01  
Default of Contractor

Dear Sir

Further to the Engineer's Rate of Progress letter to the Contractor on August 12, 2009 (ref: GH2002-09-01/DL-060) the following is an updated summary of late contractual submissions.

- Preliminary Program - Contract reference - CI 14.1 - submitted on June 3, 2009 reference PCL/JN/Gen/2009/11 - PCL delay of 24 days
- Cash Flow Estimate - Contract reference - CI 14.3 - submitted on July 7, 2009 reference PCL/JN/LBG/2009/27 - PCL delay of 58 days.
- Delivery Forecasts - Contract Reference - CI 14.5 - submitted on July 20, 2009 reference PCL/JN/LBG/2009/55 - PCL delay of 51 days
- Staff Organization Chart - Contract Reference - CI 14.8 - submitted on July 8, 2009 reference PCL/JN/LBG/2009/31 - PCL Delay of 59 days
- Quality Control Plan - Contract Reference - 37.6.1 - submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 - PCL Delay of 5 days
- Mobilization Plan - Contract Reference - CI 41.2 - submitted on July 24, 2009 reference PCL/JN/LBG/2009/70 - PCL Delay of 75 days
- Breakdown of Lump Sums - Contract Reference - CI 57.2 - submitted on June 2, 2009 reference PCL/JN/Gen/2009/08 - PCL delay of 5 days

- **Camp Layout Plan** – Contract Reference – CI 41.2 – submitted on July 25, 2009 reference PCL/JN/LBG/2009/71 – PCL delay of 72 days.
- **Submittal Register** – Contract reference – CI 7.1 – submitted on July 23, 2009 reference PCL/JN/LBG/2009/67 – PCL delay of 71 days.
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- **Environmental Management Plan** – Contract Reference CI 19.2.8 – submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 – PCL delay of 3 days.
- **Traffic Management Plan** – Contract Reference – CI 19.9 – submitted on June 2, 2009 reference PCL/JN/Gen/2009/06 – PCL delay of 3 days.
- **Insurance 'Contractors All Risk'** – Contract Reference – CI 21.2 – submitted on June 11, 2009 reference PCL/JN/Gen/2009/16 – PCL delay of 43 days
- **Insurance 'Workers Compensation'** – Contract Reference – CI 24.2 – submitted on July 8, 2009 reference PCL/JN/LBG/2009/30 – PCL delay of 69 days to any site works including but limited to material source identification, initial survey and temporary camp facilities.
- **Complete Construction of Facilities and Mobilization** – Contract Reference – CI 41.2, CI 54.1 and Technical Specification Division 1400 – PCL current delay of 42 days

Furthermore, in accordance with Clause 1405 of the Technical Specifications, the Contractor was to provide vehicles and drivers to the Engineer by day 120. The type of vehicle details were submitted on July 27, 2009 and approved July 28, 2009 yet this contractual requirement has also not been met.

In addition to the above, physical progress has been effected by the slow mobilization of men and equipment to complete programmed tasks. The approved works program of 8<sup>th</sup> August detailed the following dates:

- **Evidence of Insurances (excluding Workers Compensation)** – 31<sup>st</sup> July – currently 40 days in delay
- **Commencement of Security Contract** – 1<sup>st</sup> August – currently 39 days in delay
- **Completion of PCL Office, Laboratory and Accommodation** – 31<sup>st</sup> August – currently 9 days in delay
- **Completion of Temporary Lab and office facilities for Engineer** – 31<sup>st</sup> August – currently 9 days in delay
- **Commencement of Clearing and Grubbing** – 27<sup>th</sup> August – currently 12 days in delay

The Engineer further notes that the Employer has not received the required Performance Security in accordance with Clause 10.1 of the Contract or the Mobilization Security in accordance with Clause 60.8 of the Contract.

Today is day 132 of the Contract. The Contractor has made minimal progress to mobilize and indeed is now 42 days beyond the expiration of the mobilization period without having provided any facilities to the Engineer and very little for himself.

By virtue of this letter, and in spite of the various letters sent by the Engineer to the Contractor, and the Contractor's limited actions to cure its default, the Engineer hereby certifies to you that, in the opinion of the Engineer, the Contractor is in default in accordance with Cl 63.1 of General Conditions of Contract.

Yours faithfully



Dave Little

The Engineer  
The Louis Berger Group, Inc

cc: Mr. Bhardwaj - Project Manager, PCL  
Craig Kapernick - Engineer's Representative  
Jeremy Gustafson - EG Team Leader, USAID  
George Wagwa - CTO, USAID

## EXHIBIT D



THE Louis Berger Group, INC.  
USAID Implementing Partner  
Sudan Infrastructure Services Project

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September 10, 2009  
Via email, fax and courier

The Chairman and Managing Director  
Progressive Constructions Limited  
7<sup>th</sup> Floor, Raghava North Block  
Raghava Ratna Towers  
Chirag Ali Lane, Abids  
Hyderabad – 500 001  
Andhra Pradesh  
India

Attention: Mr. Bhaskar Rao Kavuru

Reference: Juba to Nimule Road  
Sections 1 & 2, Km 0+000 to Km 125+000  
Contract No. GH2002-09-01 & GH2002-09-02

**NOTICE TO CURE - Performance Security**

Dear Sir,

LBG and PCL entered into contract No. GH2002-09-01 & GH2002-09-02 dated April 30<sup>th</sup>, 2009. Clause 10.1 provides for the submission of a Performance Bond as part of the contract execution.

Please be advised that you failed to meet the submittal date of July 31<sup>st</sup> 2009 for the Performance Security as referenced in the LBG letter dated August 17<sup>th</sup>, 2009, advising of your Lack of Performance. Please also be advised that you provided two subsequent verbal commitments to deliver the Performance Securities on August 15<sup>th</sup>, 2009 and August 31<sup>st</sup>, 2009; both dates were missed.

This letter provides notice to cure, requiring that the required Performance Security Bond must be received by our Washington DC office not later than September 18<sup>th</sup>, 2009, or you will be in Default of your Contract. If a default is found, the proffered Bid Bond will be presented to the Issuing Bank for collection.

Yours respectfully,

Andrew V. Bailey II  
The Employer's Representative  
The Louis Berger Group